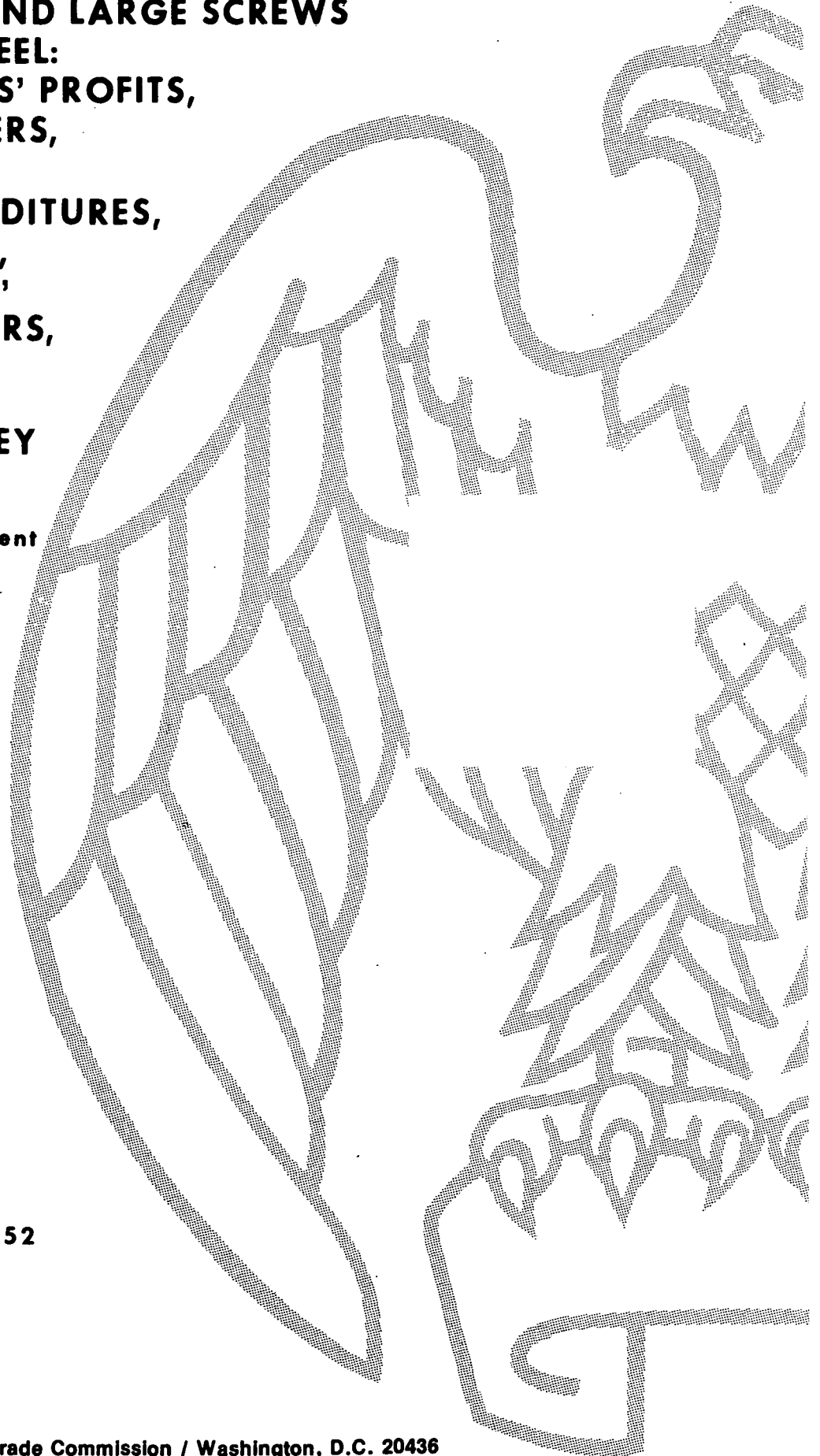


**BOLTS, NUTS, AND LARGE SCREWS
OF IRON OR STEEL:
U.S. PRODUCERS' PROFITS,
UNFILLED ORDERS,
INVENTORIES,
CAPITAL EXPENDITURES,
AND CAPACITY,
U.S. IMPORTERS'
UNFILLED ORDERS,
INVENTORIES,
AND PRICES,
ANNUAL SURVEY
1979**

**Report to the President
on Investigation
No. 332-103
Under Section 332
of the Tariff Act
of 1930**

USITC Publication 1052

March 1980



UNITED STATES INTERNATIONAL TRADE COMMISSION

COMMISSIONERS

Catherine Bedell, Chairman
Bill Alberger, Vice Chairman
George M. Moore
Paula Stern
Michael J. Calhoun

Kenneth R. Mason, Secretary to the Commission

This report was prepared principally by
James M. Brandon and Wanda Tolson, Minerals and Metals Division

Office of Industries
Norris A. Lynch, Director

**Address all communications to
Office of the Secretary
United States International Trade Commission
Washington, D.C. 20436**



NEWS

(202) 523-0161

UNITED STATES INTERNATIONAL TRADE COMMISSION • Office of the Secretary • Washington, D.C. 20436

FOR RELEASE
March 31, 1980

CONTACT: Quay Williams
(202) 523-0275
USITC 80-031

USITC REPORTS RESULTS OF ANNUAL SURVEYS OF PRODUCERS AND IMPORTERS OF BOLTS, NUTS, AND LARGE SCREWS OF IRON OR STEEL

The United States International Trade Commission has completed its second annual surveys of U.S. producers and importers of bolts, nuts, and large screws, required under Presidential Proclamation No. 4632. The report, which provides information on a quarterly and annual basis for 1979, is necessary for the monitoring of the effects of temporary duty increases on imports. The information developed covers profits, unfilled orders, inventories, capital expenditures, capacity, and net selling prices.

Major findings of the survey indicate that U.S. producers' ratio of net operating profit to net sales increased from 7.4 percent in 1978 to 8.3 percent in 1979. Producers' unfilled orders, based on quantity, were 45 percent greater in the first quarter of 1979 than in the first quarter of 1978, but 2 percent less in the fourth quarter of 1979 than in the fourth quarter of 1978. Importers unfilled orders were about 10 percent less in the first and last quarters of 1979 than they were in the corresponding quarters of 1978.

Quarterly information on producers' inventories reveals that inventories were about the same during the first quarter of 1978 and the first quarter of 1979, however, during the last quarter of 1979, producers' inventories were

more

USITC REPORTS RESULTS OF ANNUAL SURVEYS OF PRODUCERS AND IMPORTERS OF BOLTS,
NUTS, AND LARGE SCREWS OF IRON OR STEEL

2

almost 20 percent greater than inventories in the last quarter of 1978.

During the same periods under discussion importers inventories followed the same fluctuating trend.

U.S. producers' capital expenditures were 37 percent greater in 1979 than total capital expenditures in 1978. The manufacturing capacity of domestic producers of bolts, nuts, and large screws was 15 percent less in 1979 than in 1978.

The average lowest net selling prices received by importers on six representative products in 1979 were, on an average, about 4 percent higher than prices received by importers in 1978.

The report is being sent to the United States Trade Representative, who is responsible for monitoring the effects of the temporary duty increases implemented by the Presidential proclamation.

Copies of the report (USITC Publication 1052), can be obtained by calling (202) 523-5178, or from the Office of the Secretary, 701 E Street NW., Washington, D.C. 20436; or at the USITC's New York Office, 6 World Trade Center, Suite 629, New York, N.Y. 10048, (212) 466-5598.

oOo

Summary Highlights of the Second Annual Surveys of U.S. Producers and Importers of Bolts, Nuts, and Large Screws of Iron or Steel

Profits

The economic performance of U.S. producers of bolts, nuts, and large screws registered a downward trend during the four quarters of 1979. The ratio of net operating profit to net sales decreased from 11.7 percent in the first quarter to 3.9 percent in the last quarter. The annual ratio of net operating profit to sales, however, was 8.3 percent in 1979 compared with 7.4 percent in 1978.

U.S. producers' and importers' unfilled orders

U.S. producers' unfilled orders of bolts, nuts and large screws totaled 265 million pounds in the first quarter of 1979, which was 45 percent larger than unfilled orders in the first quarter of 1978 and 18 percent larger than unfilled orders in the last quarter of 1979. Importers' unfilled orders decreased during each of the periods under discussion, totaling 91 million pounds in the last quarter of 1979.

U.S. producers' and importers' inventories

During the first quarter of 1978 and 1979, U.S. producers' inventories remained about the same. However, during the last quarter of 1979 producers' inventories totaled 176 million pounds, about 20 percent larger than inventories in the last quarter of 1978 and 8 percent larger than inventories in the first quarter of 1979. Inventories reported by U.S. importers totaled 281 million pounds during the last quarter of 1979, about 10 percent less than inventories in the last quarter of 1978, but 23 percent larger than inventories during the first quarter of 1979.

Capital expenditures

U.S. producers' capital expenditures totaled \$49 million in 1979, which was 37 percent greater than capital expenditures in 1978.

Capacity

The manufacturing capacity of U.S. producers of bolts, nuts and large screws in 1979 dropped 15 percent from the 1978 level. For bolts and large screws, producers' capacity declined from 1.5 billion pounds to 1.3 billion pounds. U.S. producers' capacity to manufacture nuts declined from 452 million pounds to 431 million pounds.

Importers' prices

The average lowest net selling prices received by importers on sales of six representative fastener products during each quarter of 1979 were, on an average, 4 percent higher than prices received by importers during the comparable periods of 1978.

III

C O N T E N T S

	<u>Page</u>
1. Profit-and-loss experience of U.S. producers on their bolt, nut, and large screw operations, 1976-Dec. 1979-----	1
2. Bolts, nuts, and large screws: Unfilled orders held by U.S. producers and importers, by specified dates, June 30, 1976-Dec. 31, 1979-----	2
3. Bolts, nuts, and large screws: Inventories held by U.S. producers and importers, by specified dates, June 30, 1976-Dec. 31, 1979-----	3
4. Bolts, nuts, and large screws: Total capital expenditures by U.S. producers, 1976-1979-----	4
5. Bolts, nuts, and large screws: U.S. producers' capacity 1976-79-----	5
6. Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979-----	6
7. Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979-----	7
8. Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979-----	8

Table 1.--Profit-and-loss experience of U.S. producers on their bolt, nut,
and large screw operations, 1976-Dec. 1979

Item	1976	1977	1978	1979 ^{1/}	1979			
					Jan. - Mar.	April - June	July - Sept.	Oct. Dec.
Net sales-----1,000 dollars--:	692,694	694,280	852,779	843,235	230,765	228,189	199,978	184,303
Cost of goods sold-----do-----:	524,326	522,879	683,709	690,005	182,505	185,087	166,001	156,412
Gross profit-----do-----:	168,368	141,401	169,070	153,230	48,260	43,102	33,977	27,891
Selling and administrative expenses 1,000 dollars--:	89,708	88,548	105,683	83,032	21,150	20,984	20,256	20,642
Net operating profit-----do-----:	78,660	52,853	63,387	70,198	27,110	22,118	13,721	7,249
Other income or (expenses)-----do-----:	145	(411)	(6,112)	(10,813)	(2,094)	(2,130)	(2,614)	(3,975)
Net profit before income taxes-----do-----:	78,805	52,442	57,275	59,385	25,016	19,988	11,107	3,274
Ratio of net operating profit to Net sales-----percent--:	11.4	7.6	7.4	8.3	11.7	9.7	6.9	3.9

^{1/} Data were submitted by 35 producers.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 2.--Bolts, nuts, and large screws: Unfilled orders held by
U.S. producers and importers, by specified
dates, June 30, 1976-Dec. 31, 1979

(In millions of pounds)

Date	U.S. producers' unfilled orders	Importers' unfilled orders <u>1/</u>
June 30, 1976-----	176 :	152
Dec. 31, 1976-----	189 :	131
June 30, 1977-----	196 :	113
Dec. 31, 1977-----	198 :	142
Mar. 31, 1978-----	183 :	109
June 30, 1978-----	202 :	116
Sept. 30, 1978-----	207 :	94
Dec. 31, 1978-----	223 :	101
Mar. 31, 1979-----	265 :	97
June 30, 1979-----	289 :	94
Sept. 30, 1979-----	250 :	95
Dec. 31, 1979-----	218 :	91

1/ Estimated from a survey of importers which accounted for approximately 50 percent of the quantity of total U.S. imports in 1977.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 3.--Bolts, nuts, and large screws: Inventories held by U.S. producers and importers, by specified dates, June 30, 1976-Dec. 31, 1979

(In millions of pounds)

Date	U.S. producers' inventories	Importers' inventories ^{1/}
June 30, 1976	230	233
Dec. 31, 1976	245	319
June 30, 1977	215	320
Dec. 31, 1977	208	283
March 31, 1978	164	276
June 30, 1978	194	303
Sept. 30, 1978	151	304
Dec. 31, 1978	148	315
March 31, 1979	163	229
June 30, 1979	174	245
Sept. 30, 1979	174	248
Dec. 31, 1979	176	281

^{1/} Estimated from a survey of importers which accounted for approximately 50 percent of the quantity of total U.S. imports in 1977.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 4.--Bolts, nuts, and large screws: Total capital expenditures by U.S. producers, 1976-1979

(In thousands of dollars)

Period	Total capital expenditures
1976	32,194
1977	38,314
1978	35,404
1979	48,652

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Note.--Data are based on responses to Commission questionnaires by U.S. producers which accounted for approximately 50 percent of the value of total domestic shipments in 1977.

Table 5.--Bolts, nuts, and large screws: U.S. producers' capacity, 1/ 1976-79.

(In millions of pounds)

Item	1976	1977	1978	1979
Bolts and large screws-----	1,651	1,598	1,544	1,264
Nuts-----	538	533	452	431
Total-----	2,187	2,131	1,996	1,695

1/ Capacity is defined as the normal sustained production that can be achieved on an annual basis and is based upon a firm's average product mix during 1976-79 with allowance made for anticipated maintenance downtime.

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 6.--Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979

Import Price		
Period	Range	Average
	Per 1,000 pieces	Per 1,000 pieces
Cap screws, grade 2, 3/8" - 16 x 1"		
1976:		
Jan.-Mar---	11.37- 15.90	13.50
Apr.-June--	12.28- 15.90	14.32
July-Sept--	12.85- 15.95	14.74
Oct.-Dec---	10.16- 16.90	14.50
1977:		
Jan.-Mar---	13.44- 17.25	15.06
Apr.-June--	13.36- 17.25	14.79
July-Sept--	12.70- 18.15	14.88
Oct.-Dec---	12.67- 18.15	14.99
1978:		
Jan.-Mar---	13.66- 19.06	16.24
Apr.-June--	15.03- 19.93	17.83
July-Sept--	16.09- 22.00	19.10
Oct.-Dec---	16.72- 22.36	19.85
1979:		
Jan.-Mar---	17.89- 20.12	19.16
Apr.-June--	19.15- 21.48	19.88
July-Sept--	19.49- 23.20	20.88
Oct.-Dec---	18.99- 23.20	20.60
Cap screws, grade 8, 3/8" - 16 x 1		
1976:		
Jan.-Mar---	20.24- 29.79	25.02
Apr.-June--	22.09- 27.82	24.96
July-Sept--	21.40- 29.77	24.86
Oct.-Dec---	21.40- 29.77	24.72
1977:		
Jan.-Mar---	22.54- 40.30	27.63
Apr.-June--	21.40- 40.30	27.87
July-Sept--	21.28- 40.30	26.41
Oct.-Dec---	21.67- 40.30	27.12
1978:		
Jan.-Mar---	22.70- 44.10	29.38
Apr.-June--	23.90- 44.10	31.76
July-Sept--	26.39- 55.00	37.93
Oct.-Dec---	28.42- 52.50	38.16
1979:		
Jan.-Mar---	28.42- 36.52	32.40
Apr.-June--	28.42- 36.52	32.52
July-Sept--	29.41- 38.18	33.92
Oct.-Dec---	20.62- 36.94	30.78

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 7.--Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979

Period	Range		Average
	Per 1,000 pieces		Per 1,000 pieces
Hexagon Nuts, 1/4" - 20			
1976:			
Jan.-Mar---	1.71-	2.70 :	2.21
Apr.-June--:	1.71-	2.61 :	2.17
July-Sept--:	1.68-	2.84 :	2.31
Oct.-Dec---	1.80-	3.01 :	2.35
1977:			
Jan.-Mar---	2.10-	2.94 :	2.47
Apr.-June--:	2.10-	2.94 :	2.40
July-Sept--:	2.00-	3.10 :	2.47
Oct.-Dec---	2.20-	3.10 :	2.52
1978:			
Jan.-Mar---	2.44-	3.50 :	2.84
Apr.-June--:	2.87-	4.60 :	3.96
July-Sept--:	3.65-	4.91 :	4.24
Oct.-Dec---	3.55-	4.91 :	4.16
1979:			
Jan.-Mar---	3.50-	4.43 :	3.97
Apr.-June--:	3.60-	4.50 :	3.86
July-Sept--:	3.30-	4.50 :	3.75
Oct.-Dec---	3.20-	4.50 :	3.67
Hexagon Nuts 1/2" - 13			
1976:			
Jan.-Mar---	9.15-	13.50 :	11.79
Apr.-June--:	9.00-	14.98 :	12.22
July-Sept--:	8.84-	15.44 :	12.78
Oct.-Dec---	10.67-	15.73 :	13.07
1977:			
Jan.-Mar---	10.60-	15.19 :	12.76
Apr.-June--:	10.58-	14.02 :	12.51
July-Sept--:	9.13-	16.90 :	12.66
Oct.-Dec---	10.04-	16.90 :	12.77
1978:			
Jan.-Mar---	10.49-	18.50 :	14.01
Apr.-June--:	10.68-	23.28 :	18.59
July-Sept--:	14.49-	24.60 :	20.54
Oct.-Dec---	17.00-	24.60 :	20.73
1979:			
Jan.-Mar---	18.00-	22.02 :	19.78
Apr.-June--:	17.00-	22.02 :	19.26
July-Sept--:	15.30-	22.02 :	18.35
Oct.-Dec---	16.20-	22.02 :	18.01

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Table 8.--Bolts, nuts, and large screws: Ranges and averages of lowest net selling prices received by importers to distributors, by specified periods, January 1976-Dec. 1979

Period	Import Price	
	Range	Average
	Per 1,000 pieces	Per 1,000 pieces
Structural bolts, A325, with nut, 3/4" x 2		
1976:		
Jan.-Mar----	212.50- 282.00	238.95
Apr.-June--:	189.00- 282.00	239.13
July-Sept--:	217.00- 282.00	238.62
Oct.-Dec----	194.00- 298.73	231.91
1977:		
Jan.-Mar----	204.09- 283.74	232.33
Apr.-June--:	203.00- 283.74	230.17
July-Sept--:	205.29- 283.74	243.65
Oct.-Dec----	205.97- 288.31	248.71
1978:		
Jan.-Mar----	246.00- 293.69	275.18
Apr.-June--:	267.72- 346.00	306.03
July-Sept--:	295.42- 373.69	333.29
Oct.-Dec----	310.75- 411.06	344.06
1979:		
Jan.-Mar----	264.50- 359.86	319.07
Apr.-June--:	239.00- 369.09	311.48
July-Sept--:	222.05- 378.04	338.06
Oct.-Dec----	238.85- 385.00	345.93
Carriage bolts, 3/8" x 3"		
1976:		
Jan.-Mar----	21.94- 37.77	31.21
Apr.-June--:	24.93- 37.77	32.32
July-Sept--:	29.60- 39.20	32.94
Oct.-Dec----	29.23- 38.85	34.01
1977:		
Jan.-Mar----	29.50- 41.36	36.14
Apr.-June--:	28.50- 42.02	35.09
July-Sept--:	26.00- 47.08	35.37
Oct.-Dec----	29.58- 47.08	35.85
1978:		
Jan.-Mar----	31.29- 47.08	38.47
Apr.-June--:	34.24- 46.35	41.86
July-Sept--:	40.10- 47.61	44.75
Oct.-Dec----	42.00- 50.93	45.09
1979:		
Jan.-Mar----	41.00- 46.66	44.79
Apr.-June--:	40.00- 47.56	45.31
July-Sept--:	41.00- 50.39	46.57
Oct.-Dec----	42.00- 52.29	46.30

Source: Compiled from data submitted in response to questionnaires of the U.S. International Trade Commission.

Library Cataloging Data

United States. International Trade
Commission.

Bolts, nuts and large screws of iron or
steel : U.S. producers' profits, unfilled
orders, inventories, capital expenditures,
and capacity ; U.S. importers' unfilled
orders, inventories, and prices--annual
survey 1979. Report to the President on
investigation no. 332-103 under section 332
of the Tariff act of 1930. -- Washington :
USITC, 1980.

8 p. : ill. ; 28 cm. -- (USITC
publication 1052)

"Prepared principally by James M. Brandon
and Wanda Tolson."

1. Bolts and nuts. 2. Screws. I. Brandon,
James M. II. Tolson, Wanda. III. Title.

UNITED STATES
INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C. 20436

OFFICIAL BUSINESS

ADDRESS CORRECTION REQUESTED

Postage And Fees Paid
U.S. International Trade Commission



ADDRESS CHANGE

- Remove from List
 - Change as Shown
- Please detach address label and mail to address shown above.